

Democrats & Senate Republicans Urge House GOP to Stop Opposing Middle Class Tax Cuts

House Republicans Walk Away From Compromise Once Again

This evening, House Republicans are expected to oppose a bipartisan Senate bill to extend year-end items. Their opposition is risking a tax hike on middle class families, cutting off assistance to unemployed Americans, and seniors losing access to their doctors. Republicans should work with Democrats to pass the bipartisan Senate plan that extends these critical policies as we work on a full-year extension.

Republicans are walking away from a compromise supported by over 80 percent of Senate Republicans – including the entire Republican leadership team. And today, Republican Senators Lugar, Brown, Snowe, and Heller called on the House GOP leadership to do what's best for the country and pass the bipartisan Senate bill:

- **Senator Richard Lugar (R-IN):** “I'm hopeful, maybe without basis, the House of Representatives will pass the bill the Senate passed and it will do so tonight. Speaker Boehner is under enormous pressure. He's gotten a lot of feedback from many Republicans who say we just don't like [the payroll tax cut]. As a matter of fact, many Republicans would say we don't really want the extension of the unemployment compensation or the rest of it anyway. But I'm hopeful that our majority, Republicans and Democrats today, will proceed, because it seems to me this is best for the country as well as for all the individuals who are affected.”
- **Senator Scott Brown (R-MA):** “The House Republicans' plan to scuttle the deal to help middle-class families is irresponsible and wrong... The refusal to compromise now threatens to increase taxes on hard-working Americans and stop unemployment benefits for those out of work. During this time of divided government, both parties need to be reasonable and come to the negotiating table in good faith. We cannot allow rigid partisan ideology and unwillingness to compromise stand in the way of working together for the good of the American people.”
- **Senator Olympia Snowe (R-ME):** “There wasn't an indication that the House would be in disagreement with the Senate's action. Nonetheless, what is paramount at this point is that this tax benefit for hardworking Americans not be allowed to lapse.”
- **Senator Dean Heller (R-NV):** “There is no reason to hold up the short-term extension while a more comprehensive deal is being worked out... What is playing out in Washington, DC this week is about political leverage, not about what's good for the American people. Congress can work out a solution without stopping the payroll tax cut extension for the middle class, jeopardizing seniors' access to health care, or threatening unemployment insurance.”

Just days ago, Speaker Boehner supported the Senate's bipartisan bill, calling it a "good deal":

- [From the NY Times](#): "A number of House members who participated in the call said Mr. Boehner told them they should accept the deal, however imperfect, and fight for a better one next year."
- [From CNN](#): "The source said Boehner described the Senate vote as 'a good deal' and 'a victory' in the conference call..."

But it didn't take long for the Speaker to cave to the extreme Tea Party faction of the House Republican conference and walk away from compromise. On Sunday, he walked back his support of the bipartisan deal that would avoid a tax hike on middle class families:

- [From the Washington Post](#): "Faced with the uprising on his right flank, House Speaker John A. Boehner (R-Ohio) retreated Sunday from his previous support for the package, saying the House does not expect to approve that plan on Monday night after it returns to Washington."
- [From Roll Call](#): "But Speaker John Boehner (R-Ohio), who had regularly communicated with McConnell as the deal was crafted, ultimately walked away."

Refusal to compromise on this measure would mean:

- **160 million** Americans would see their taxes increased,
- **2.3 million** Americans would lose unemployment benefits by mid-February,
- **48 million** Americans on Medicare would have access to their doctors jeopardized.

And by opposing an extension of the payroll tax cut while we reach agreement on the full year extension Americans need – and which Democrats have made clear we must do – House Republicans are putting economic growth and jobs at risk. [According to economists](#), allowing middle class tax cuts to expire on January 1st would have a significant impact on the economy:

- [French bank Société Générale analysts](#): "Warned clients that failing to renew the tax cut and continue federal support for the long-term unemployed might erase growth entirely in the first half of next year."
- [Moody's Analytics](#): "Estimated that the payroll tax cut, combined with an expansion of jobless benefits for the long-term unemployed and a few other measures, added a percentage point to growth in 2011."
- [Joel Prakken, of Macroeconomic Advisers](#): Forecasts "with the cost of gasoline potentially more stable, households might spend the cash on consumer goods and ignite a stronger recovery."

We cannot leave for the year without extending tax cuts for middle class families, maintaining unemployment assistance to Americans who lost their jobs through no fault of their own, and fixing the Medicare physician payment rate to ensure seniors have access to their doctors. Democrats remain willing to work on a bipartisan basis, we hope Republicans will put country before party and work with us to take action on these critical policies.

Office of Democratic Whip Steny H. Hoyer, 12/19/11